



Partnering Works



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We decided to share an article from “AGC Views & News” on Partnering for our March issue of our Partnering Newsletter. Because of publishing constraints on AGC’s behalf we are going to submit the entire article for your reading. We hope you enjoy it, the next issue will be in the normal format.



ADOT Continues Its Commitment to Partnering

Changes in the industry are commonplace; ideas come and go; employees come and go and the leaders change. Our partner agencies experience change just as we do. When leaders leave and new leaders come, everyone wonders how it will effect them. Recently, the Arizona Department of Transportation's (ADOT) Intermodal Transportation Division moved leaders into different roles. William (Bill) Higgins, Dan Lance and Doug Forstie are serving, respectively, as State Engineer, Deputy State Engineer - Valley Transportation and Deputy State Engineer - Statewide Operations. Bill, Dan and Doug thought you might be interested in their collective responses to some tough questions about partnering.

Bill, Dan and Doug:

Building partnerships requires active participation and commitment from all stakeholders. In that spirit, the ADOT State Engineer's Office leaders want to share key elements of “the current state” of partnering. We are still committed to practice the principles of partnering and continually support the building of fair relationships. Partnering is a business practice that ADOT decided to implement/use and it is not optional for ADOT employees. The State Engineer's Office is strongly supportive of this business practice. We encourage you to also ask yourself the following questions and review the current partnering perspective and practices in your own organization.

How do the ADOT Intermodal Transportation Division leaders encourage their employees to find “mutual solutions to problems” during escalation?

Response: First of all, we emphasize and support the resolution of issues at the project level and at the time the issue occurs. We require the field employees to take the time to clearly define the issue and understand their partner's position. Once they see the issue clearly defined in writing, it is often readily solvable. They are expected to use accepted problem solving techniques to help them resolve the issue. If they are unable to resolve the issue, they agree to take it to the next level. All of the objective information carries forward to the next level. We encourage the Resident Engineer and District Engineer to include the field employees in identifying a resolution and keep them involved and informed of the decision.

How are employees empowered to make decisions in the field?

Response: Empowered people solve problems. Our intention is to provide employees the opportunity to develop their skills and expertise so they can make decisions in a responsible way within their level of authority. We defined the roles and empowerment levels of the inspector, project supervisor, resident engineer and district engineer. The descriptions can be found in the ADOT Construction Manual. Our commitment to empower our employees in the field has not changed. What has changed is the degree of experience of those in the field, which is an important factor in the empowerment issue. As committed partners, management will help when necessary to ensure a responsible decision that is consistent with current practices.

The escalation process sometimes challenges the specifications. Do leaders in the State Engineer's Office believe that the specs are a "black and white" decision? If not, what are effective ways to resolve seemingly "gray" areas?

Response: We acknowledge some specifications are "black and white" but overall the standard specifications and special provisions are looked upon as a document to provide uniform quality and processes. There could be some unique feature that was overlooked in the development of the project or a specification does not appear to apply to a specific project. Those types of issues should be resolved by the Resident Engineer or Senior Leaders through the escalation process. That is what the escalation process is for – to resolve issues outside the expertise and/or authority level.

What is in place to track the types of project changes and issues that are resolved in the field?

Response: An electronic tracking system entitled "Supplemental Agreement Tracking System (SATS)" is currently in use. This system is designed to capture change order and force account category type, and cause; whether it was escalated; and the levels at which the issues were resolved. The captured information will enhance our ability to deal with recurring issues. Our intention is to provide consistency across the state.

What do the leaders within the State Engineer's Office expect the Resident Engineer's to do to promote partnering and the principles?

Response: We expect our Resident Engineers to lead by example. The behaviors are identified, along with the responsibilities, in the ADOT Construction Manual. To clarify further, we expect them to attack the issues, not the people, and keep everyone informed. It is their responsibility to administer the contract fairly for both stakeholder groups. Their leadership duties include monitoring, communication and relationship issues that effect the partnership. They also provide feedback on the Partnering Evaluation Program (PEP) evaluations and comments. The Resident Engineer is to work with the contractor's representative to resolve issues that effect the partnership.

What is in place to strengthen the Resident Engineer's experience and expertise?

Response: The District Engineers coach and mentor the Resident Engineers; this is part of their job. ADOT has a strong on-the-job training program for newly hired engineers (Engineer-in-Training program). There is also a requirement for engineers to obtain additional training (32 hours annually). ADOT provides classes that focus on developing leadership skills as well as technical training.

What is in place to help the Resident Engineer's hold their subordinates accountable?

Response: Certification matrices were developed for the various disciplines and are utilized to promote uniform testing and inspection processes. Completion of a matrix is required for future promotions. Resident Engineers can require training as appropriate or necessary for subordinates. Additionally, the Resident Engineer is the Org (construction field office) manager and supervisor. As such, the Resident Engineer conducts performance reviews that can effect pay increases, work assignments and disciplinary actions.

What is your guidance for those in the field who need to respond, in a partnering way, to the situation when a contractor does not get what they expect/need/want (specification changes, leniency on quality, etc.), and then accuses the ADOT representative of not partnering?

Response: We encourage the field employees to consider the contractor's perspective and their need to make a profit; and then to explain to the contractor that partnering is about honoring agreements and respecting each other's roles, expertise and responsibilities while staying within the contract requirements. Partnering is not an excuse to accept poor quality or ignore contract requirements. It should not be used as a hammer for leverage so that one partner can prevail. Instead, it is a process to optimize performance, relationships and cooperation.

How do leaders in the State Engineer's Office view their contractor partners' motivations?

Response: The "Covenant of Good Faith and Fair Dealing" found in the ADOT Standard Specifications clarifies how we view our contractor partners' motivations. We approach our contractors as partners. We share the common goal of project delivery to the public, a commitment to respectful behavior, honest communication and fair treatment. ADOT recognizes that reasonable profit margins are healthy and necessary for our business partners to remain successful. We also recognize that contractors are motivated to maintain a good reputation. The numerous awards received by our partners (Marvin M. Black Partnering Award, Build America Award, etc.) indicate the contractors' commitment to cooperation and teamwork.

How do you practice Partnering in the State Engineer's Office(what are some things you say and do on a regular basis)?

Response: We practice the principles of partnering daily. For example, if there is a change on a project we advise the District Engineer to contact the contractor and discuss the direction and changes that are coming. Another example: when an issue arises, we get the appropriate parties and people together and seek first to understand the issue before making a snap decision. We expect the District Engineers to stay in touch with the contractors on the projects in their districts. On long-term projects, we promote periodic meetings to be held at milestones. These meetings serve to make course corrections and to celebrate successes. The District Engineers are expected to encourage and support the project teams to solve issues at the appropriate responsible level. Additionally, through the District Engineers and with contractor support, teams are expected to hold close out partnering sessions to debrief the project and gather lessons learned.

How are the leaders in the State Engineer's Office working to continually improve the sense of trust between the AGC and ADOT?

Response: We are providing forums for the two groups to share perspectives, resolve common issues, and work toward process improvement collaboratively. The Joint ADOT/AGC group establishes subcommittees that address a variety of topics including jointly writing standard specifications. The Partnering Advisory Committee meets quarterly to guide the improvement and implementation of the partnering processes. We encourage corporate level partnering where representatives of companies and ADOT meet to share information and better understand each other's structure and goals. Also there is an Annual Partnering Event where all stakeholder groups are invited to attend and share ideas. We conduct periodic surveys to evaluate partnering relationship issues.

What plans are in place to further educate all partners re: how Partnering is intended to work?

Response: ADOT has developed extensive Partnering materials, which are benchmarked by other states, as well as other countries. Key Partnering documents are accessible through the ADOT Partnering website (www.dot.state.az.us/about/partner) or email your questions to us at (partnerinfo@dot.state.az.us). It is the contractors' management responsibility to instill partnering principles in their groups. We are willing to share all partnering tools and information with industry and all of the stakeholder groups.

The following classes are available through ADOT and outside instructors:

- *Introduction to Partnering (4 hours)*
- *Conducting a Partnering Workshop (2 days)*
- *Leaders Guide to Issue Resolution (1 day)*
- *How to Make Partnering Work in the Field (1 day)*
- *Leading Teams to Build Partnerships (1 day)*

Key Partnering materials include:

- *Building Partnerships Handbook*
- *Fine-Tuned Partnering Processes-Construction*
- *Partnering Evaluation Program (PEP)*

In addition, we conduct field visits; we've developed a checklist to guide workshop planning meetings and responsibly develop the partnering workshops; we use consultants' services that provide customized coaching/education/training as needed; and the partnering office responds to feedback from various partners, whether it is meeting feedback, facilitator feedback, or comments and scores generated on the PEP.

How does Partnering support the ADOT goals?

Response: Practicing the principles of Partnering creates the environment where all stakeholder groups come together, in a collaborative environment, to resolve issues fairly, develop process improvements, and deliver the products and services. Practicing the principles of partnering will help you solve problems wherever you work. Partnering is a process that we use to help optimize the delivery of the construction program. Partnering has proven to be a superior business practice over the last eleven years and it is the way we intend to do our business.

Conclusion:

What has changed as a result of Partnering?

The Joint ADOT/AGC Group has been operating for years. Specifications have been changed and feedback on a variety of issues has been exchanged. Litigation pertaining to construction claims is virtually non-existent. ADOT adopted Partnering as the preferred way to do business. There are expanded partnerships with the Federal Highway Administration (FHWA), the U.S. Forest Service; Bureau of Land Management (BLM), State Land Department and others.

Note: If you are interested in obtaining a copy of the ADOT Construction Manual (reference # 37002-2001 edition) it is available through the ADOT Website. Select forms & documents and select Construction, then select ADOT Construction Manual.